

1                                   **THE CITY OF SEATTLE, WASHINGTON**

2                                   **RESOLUTION 31094**

3  
4   A RESOLUTION relating to outstanding municipal light and power adjustable rate revenue  
5       bonds and water system adjustable rate revenue bonds of The City of Seattle,  
6       Washington; amending Resolution 28281, Resolution 28473, Resolution 28827,  
7       Resolution 29505, Resolution 29191, Resolution 30464 and Resolution 30465, each as  
8       heretofore amended or amended and restated, with respect to the City's purchase of such  
9       bonds in the open market.

10                                   Adopted October 13, 2008

RESOLUTION 31094

A RESOLUTION relating to outstanding municipal light and power adjustable rate revenue bonds and water system adjustable rate revenue bonds of The City of Seattle, Washington; amending Resolution 28281, Resolution 28473, Resolution 28827, Resolution 29505, Resolution 29191, Resolution 30464 and Resolution 30465, each as heretofore amended or amended and restated, with respect to the City's purchase of such bonds in the open market.

WHEREAS, pursuant to various ordinances and resolutions of The City of Seattle, Washington (the "City"), the City issued and sold the following bonds (each, an "Outstanding Series of Variable Rate Bonds," and collectively, the "Outstanding Variable Rate Bonds"):

- (a) Municipal Light and Power Adjustable Rate Revenue Bonds, 1990 (the "1990 Bonds");
- (b) Municipal Light and Power Adjustable Rate Revenue Bonds, 1991, Series A and Series B (together, the "1991 Bonds");
- (c) Municipal Light and Power Adjustable Rate Revenue Bonds, 1993 (the "1993 Bonds");
- (d) Municipal Light and Power Adjustable Rate Revenue Bonds, 1996 (the "1996 Bonds");
- (e) Water System Adjustable Rate Revenue Bonds, 1995 (the "1995 Bonds");
- (f) Water System Adjustable Rate Revenue Bonds, 2002, Series A (the "2002A Bonds"); and
- (g) Water System Adjustable Rate Revenue Bonds, 2002, Series B (the "2002B Bonds"); and

WHEREAS, pursuant to RCW 35.39.030, the City is authorized to invest any portion of the money in its inactive funds or in other funds in excess of current needs in, among other things, its own utility revenue bonds; and

WHEREAS, the resolutions authorizing the issuance of each Outstanding Series of Variable Rate Bonds (each, as further defined below, an "Authorizing Resolution") provide that each such Authorizing Resolution, the Outstanding Series of Variable Rate Bonds authorized by such Authorizing Resolution and the rights and obligations of the City, the applicable Tender and Paying Agent, the applicable Registrar, the applicable Remarketing Agent, the applicable Bank and the Owners of such Outstanding Series of Variable Rate Bonds thereunder, may be amended or supplemented at any time by an amendatory resolution or



1 supplement thereto, which shall become binding upon execution without the written  
2 consent of any such Owners, subject to the conditions set forth in the applicable  
3 Authorizing Resolution; and

4 WHEREAS, the conditions set forth in the Authorizing Resolutions for the adoption of this  
5 amendatory resolution have been, or are expected to be, satisfied; and

6 WHEREAS, the City has been advised by Foster Pepper PLLC, Bond Counsel to the City, that,  
7 so long as the requirements of Internal Revenue Service Notice 2008-41 and Internal  
8 Revenue Service Notice 2008-88 are complied with, the provisions of the Authorizing  
9 Resolutions restricting the City from purchasing the Outstanding Variable Rate Bonds in  
10 the open market are no longer necessary to prevent the reissuance of the Outstanding  
11 Variable Rate Bonds for federal income tax purposes; and

12 WHEREAS, the City considers it desirable to adopt this amendatory resolution for the purpose  
13 of correcting, curing and supplementing such defective provisions in the Authorizing  
14 Resolutions; NOW, THEREFORE,

15 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:**

16 **Section 1. Definitions.** The meaning of capitalized terms used and not otherwise  
17 defined in this resolution shall be as set forth in the Authorizing Resolutions. .

18 **"Authorizing Resolutions"** means the following resolutions of the City:

- 19 (a) Resolution 28281, as amended by Resolution 28473 and Resolution 29505 and as  
20 amended and restated by Resolution 30342, pursuant to which the 1990 Bonds  
21 were issued and sold;
- 22 (b) Resolution 28473, as amended by Resolution 29505 and as amended and restated  
23 by Resolution 30343, pursuant to which the 1991 Bonds were issued and sold;
- 24 (c) Resolution 28827, as amended by Resolution 29505 and as amended and restated  
25 by Resolution 30344, pursuant to which the 1993 Bonds were issued and sold;
- 26 (d) Resolution 29505, as amended and restated by Resolution 30341, pursuant to  
27 which the 1996 Bonds were issued and sold;
- 28 (e) Resolution 29191, as amended by Resolution 30463, pursuant to which the 1995  
Bonds were issued and sold;
- (f) Resolution 30464, pursuant to which the 2002A Bonds were issued and sold; and



(g) Resolution 30465, pursuant to which the 2002B Bonds were issued and sold.

**Section 2. Amendment to Section 3.10 of Resolution 28281.** Section 3.10 of Resolution 28281, as amended, including as amended and restated by Resolution 30342, is hereby amended to read as follows:

Section 3.10. Purchase of Bonds in Open Market. The City reserves the right to purchase any of the Bonds in the open market ~~((for retirement only))~~ at any time at any price acceptable to the City. Bonds so purchased by the City will not be deemed Outstanding for purposes of exercising the rights of Owners.

**Section 3. Amendment to Section 4.13(d) of Resolution 28281.** Section 4.13(d) of Resolution 28281, as amended, including as amended and restated by Resolution 30342, is hereby amended to read as follows:

(d) Notwithstanding the foregoing paragraphs (a), (b) and (c) of this Section, the Tender and Paying Agent shall not draw on the Letter of Credit with respect to any payments due or made in connection with Bank Bonds ~~((or Bonds owned by or held for the benefit of the City))~~.

**Section 4. Amendment to Section 3.10 of Resolution 28473.** Section 3.10 of Resolution 28473, as amended, including as amended and restated by Resolution 30343, is hereby amended to read as follows:

Section 3.10. Purchase of Bonds in Open Market. The City reserves the right to purchase any of the Bonds in the open market ~~((—Any Bonds so purchased shall be surrendered to the Tender and Paying Agent for cancellation))~~ at any time at any price acceptable to the City. Bonds so purchased by the City will not be deemed Outstanding for purposes of exercising the rights of Owners.

**Section 5. Amendment to Section 4.12(b) of Resolution 28473.** Section 4.12(b) of Resolution 28473, as amended, including as amended and restated by Resolution 30343, is hereby amended to read as follows:



(b) Notwithstanding the foregoing paragraph (a) of this section, the Tender and Paying Agent shall not draw on the Liquidity Facility to purchase Bank Bonds (~~((or Bonds registered in the name of the City))~~).

**Section 6. Amendment to Section 3.10 of Resolution 28827.** Section 3.10 of Resolution 28827, as amended, including as amended and restated by Resolution 30344, is hereby amended to read as follows:

Section 3.10. Purchase of Bonds in Open Market. The City reserves the right to purchase any of the Bonds in the open market (~~((Any Bonds so purchased shall be surrendered to the Tender and Paying Agent for cancellation))~~) at any time at any price acceptable to the City. Bonds so purchased by the City will not be deemed Outstanding for purposes of exercising the rights of Owners.

**Section 7. Amendment to Section 4.13(b) of Resolution 28827.** Section 4.13(b) of Resolution 28827, as amended, including as amended and restated by Resolution 30344, is hereby amended to read as follows:

(b) Notwithstanding the foregoing paragraph (a) of this section, the Tender and Paying Agent shall not draw on the Liquidity Facility to purchase Bank Bonds (~~((or Bonds registered in the name of the City))~~).

**Section 8. Amendment to Section 3.05 of Resolution 29505.** Section 3.05 of Resolution 29505, as amended and restated by Resolution 30341, is hereby amended to read as follows:

Section 3.05. Purchase of Bonds in Open Market. The City reserves the right to purchase any of the Bonds in the open market (~~((Any Bonds so purchased shall be surrendered to the Registrar for cancellation))~~) at any time at any price acceptable to the City. Bonds so purchased by the City will not be deemed Outstanding for purposes of exercising the rights of Owners.

1       **Section 9. Amendment to Section 4.12(f) of Resolution 29191.** Section 4.12(f) of  
2 Resolution 29191, as amended by Resolution 30463, is hereby amended to read as follows:

3           (f) Notwithstanding the foregoing paragraphs (a), (b), (c), (d) and (e)  
4 of this Section, the Tender and Paying Agent shall not draw on the Letter of  
5 Credit with respect to any payments due or made in connection with Bank Bonds  
6 ~~((or Bonds owned by or held for the benefit of the City)).~~

7       **Section 10. Amendment to Section 4.12(f) of Resolution 30464.** Section 4.12(f) of  
8 Resolution 30464 is hereby amended to read as follows:

9           (f) Notwithstanding the foregoing paragraphs (a), (b), (c), (d) and (e)  
10 of this Section, the Tender and Paying Agent shall not draw on the Letter of  
11 Credit with respect to any payments due or made in connection with Bank Bonds  
12 ~~((or Series A Bonds owned by or held for the benefit of the City)).~~

13       **Section 11. Amendment to Section 4.12(f) of Resolution 30465.** Section 4.12(f) of  
14 Resolution 30465 is hereby amended to read as follows:

15           (f) Notwithstanding the foregoing paragraphs (a), (b), (c), (d) and (e)  
16 of this Section, the Tender and Paying Agent shall not draw on the Letter of  
17 Credit with respect to any payments due or made in connection with Bank Bonds  
18 ~~((or Series B Bonds owned by or held for the benefit of the City)).~~

19       **Section 12. General Authorization.** The Mayor and the Director of Finance and each  
20 of the other appropriate officers of the City are each authorized and directed to do everything as  
21 in their judgment may be necessary, appropriate or desirable in order to carry out the terms and  
22 provisions of, and complete the transactions contemplated by, this resolution.

23       **Section 13. Severability.** The provisions of this resolution are declared to be separate  
24 and severable. If a court of competent jurisdiction, all appeals having been exhausted or all  
25 appeal periods having run, finds any provision of this resolution to be invalid or unenforceable as  
26 to any person or circumstance, such offending provision shall, if feasible, be deemed to be  
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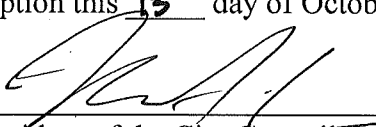
1 modified to be within the limits of enforceability or validity. However, if the offending  
2 provision cannot be so modified, it shall be null and void with respect to the particular person or  
3 circumstance, and all other provisions of this resolution in all other respects, and the offending  
4 provision with respect to all other persons and all other circumstances, shall remain valid and  
5 enforceable.

6 **Section 14. Ratification of Prior Acts.** All acts taken consistent with the authority of  
7 this resolution and prior to its effective date are ratified, approved and confirmed.

8 **Section 15. Section Headings.** Section headings in this resolution are used for  
9 convenience only and shall not constitute a substantive portion of this resolution.

10 **Section 16. Effective Date.** With respect to each Authorizing Resolution, this resolution  
11 shall take effect on the date that the conditions to amending or supplementing such Authorizing  
12 Resolution have been satisfied.

13 ADOPTED by the City Council the 13<sup>th</sup> day of October, 2008, and signed by me in  
14 open session in authentication of its adoption this 13<sup>th</sup> day of October, 2008.

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16   
17 President of the City Council

18 Filed by me this 13 day of Oct, 2008.

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21 City Clerk